SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

Form 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended August 2, 1997

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition period from_______________ to ________________

Commission File No. 1-7819

Analog Devices, Inc.
(Exact name of registrant as specified in its charter)

Massachusetts	04-2348234
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One Technology Way, Norwood, MA	02062-9106
(Address of principal executive offices)	(Zip Code)

(617) 329-4700
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES X NO

The number of shares outstanding of each of the issuer's classes of Common Stock as of August 29, 1997 was 161,458,818 shares of Common Stock.

PART I
FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

ANALOG DEVICES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(thousands except per share amounts)

	Three Months Ended	
	August 2, 1997	August 3, 1996
Net sales	$318,139	$305,042
Cost of sales	158,816	152,331
Gross margin	159,323	152,711
Operating expenses:		
Research and development	49,895	45,569
Selling, marketing, general and administrative	48,939	48,562
	98,834	94,131
Operating income	60,489	58,580
Nonoperating expenses (income):		
Interest expense	2,950	3,266
Interest income	(4,166)	(3,688)
Other	413	(181)
	(803)	(603)
Income before income taxes	61,292	59,183
Provision for income taxes	15,323	15,387
Net income	$ 45,969	$ 43,796
Shares used to compute earnings per share	177,773	172,921
Earnings per share of common stock	$ 0.27	$ 0.26

See accompanying notes.

ANALOG DEVICES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(thousands except per share amounts)

	Nine Months Ended	
	August 2, 1997	August 3, 1996
Net sales	$911,015	$889,139
Cost of sales	457,981	440,912
Gross margin	453,034	448,227
Operating expenses:		
Research and development	143,367	131,274
Selling, marketing, general and administrative	140,929	147,382
	284,296	278,656
Operating income	168,738	169,571
Nonoperating expenses (income):		
Interest expense	9,703	8,134
Interest income	(11,536)	(12,394)
Other	882	1,019
	(951)	(3,241)
Income before income taxes	169,689	172,812
Provision for income taxes	42,422	44,931
Net income	$127,267	$127,881
Shares used to compute earnings per share	176,815	170,361
Earnings per share of common stock	$ 0.75	$ 0.77

See accompanying notes.

ANALOG DEVICES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(thousands)

Assets	August 2, 1997	November 2, 1996	August 3, 1996
Cash and cash equivalents	$ 235,699	$ 210,109	$ 198,929
Short-term investments	80,770	89,810	82,438
Accounts receivable, net	258,383	241,847	217,699
Inventories:			
Finished goods	59,953	72,039	66,482
Work in process	135,082	115,799	117,480
Raw materials	26,823	31,039	31,046
	221,858	218,877	215,008
Deferred tax assets	55,800	44,879	45,600
Prepaid expenses	15,402	14,728	16,283
Total current assets	867,912	820,250	775,957
Property, plant and equipment, at cost:			
Land and buildings	144,744	140,776	136,058
Machinery and equipment	893,452	800,086	762,903
Office equipment	56,054	46,307	45,297
Leasehold improvements	83,440	80,099	73,506
	1,177,690	1,067,268	1,017,764
Less accumulated depreciation and amortization	548,600	483,946	465,078
Net property, plant and equipment	629,090	583,322	552,686
Investments	122,081	68,382	67,623
Intangible assets, net	15,280	16,846	17,351
Deferred charges and other assets	42,074	26,885	26,753
Total other assets	179,435	112,113	111,727
	$1,676,437	$1,515,685	$1,440,370

See accompanying notes.

ANALOG DEVICES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(thousands except share amounts)

Liabilities and Stockholders' Equity	August 2, 1997	November 2, 1996	August 3, 1996
Short-term borrowings and current portion of long-term debt	$ 1,458	$ 178	$ 1,923
Obligations under capital leases	11,625	10,960	8,422
Accounts payable	83,814	90,177	102,006
Deferred income on shipments to domestic distributors	32,874	38,400	39,559
Income taxes payable	68,570	46,459	46,560
Accrued liabilities	77,636	84,062	80,568
Total current liabilities	275,977	270,236	279,038
Long-term debt	310,000	310,000	310,000
Noncurrent obligations under capital leases	41,703	43,666	30,932
Deferred income taxes	21,000	16,992	6,000
Other noncurrent liabilities	19,587	11,956	11,278
Total noncurrent liabilities	392,290	382,614	358,210
Commitments and Contingencies			
Stockholders' equity:			
Preferred stock, $1.00 par value, 500,000 shares authorized, none outstanding	-	-	-
Common stock, $.16 2/3 par value, 600,000,000 shares authorized, 161,296,898 shares issued (158,745,219 in November 1996, 116,262,403 in August 1996)	26,883	26,458	19,377
Capital in excess of par value	194,909	176,357	168,838
Retained earnings	780,632	653,365	609,345
Cumulative translation adjustment	6,062	6,655	5,562
	1,008,486	862,835	803,122
Less 10,186 shares in treasury, at cost (none in November 1996 and August 1996)	316	-	-
Total stockholders' equity	1,008,170	862,835	803,122
	$1,676,437	$1,515,685	$1,440,370

See accompanying notes.

ANALOG DEVICES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(thousands)

	Nine Months Ended	
	August 2, 1997	August 3, 1996
OPERATIONS		
Cash flows from operations:		
Net income	$127,267	$127,881
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation and amortization	75,556	59,445
Deferred income taxes	4,016	988
Other noncash expense (income)	590	(633)
Changes in operating assets and liabilities	(21,556)	(91,438)
Total adjustments	58,606	(31,638)
Net cash provided by operations	185,873	96,243
INVESTMENTS		
Cash flows from investments:		
Maturities of short-term investments available for sale	124,224	216,458
Purchases of short-term investments available for sale	(115,184)	(222,086)
Additions to property, plant and equipment, net	(119,121)	(179,501)
Long-term investments	(53,699)	(53,643)
Maturities of short-term investments held to maturity	-	5,000
Increase in other assets	(16,095)	(8,976)
Net cash used for investments	(179,875)	(242,748)
FINANCING ACTIVITIES		
Cash flows from financing activities:		
Proceeds from employee stock plans	16,605	11,987
Payments on capital lease obligations	(8,421)	(4,734)
Proceeds from equipment financing	7,123	44,028
Net decrease in variable rate borrowings	(2,500)	(232)
Net proceeds from issuance of long-term debt	-	224,385
Net cash used for financing activities	12,807	275,434
Effect of exchange rate changes on cash	6,785	697
Net increase in cash and cash equivalents	25,590	129,626
Cash and cash equivalents at beginning of period	210,109	69,303
Cash and cash equivalents at end of period	$235,699	$198,929
SUPPLEMENTAL INFORMATION		
Cash paid during the period for:		
Income taxes	$ 24,389	$ 47,773
Interest	$ 12,760	$ 7,045

See accompanying notes.

Analog Devices, Inc.
Notes to Condensed Consolidated Financial Statements
August 2, 1997

Note 1 - In the opinion of management, the information furnished in the accompanying financial statements reflects all adjustments, consisting only of normal recurring adjustments, which are necessary to fairly state the results for this interim period and should be read in conjunction with the most recent Annual Report to Stockholders.

Note 2 - Certain amounts reported in the previous year have been reclassified to conform to the 1997 presentation.

Note 3 - Impairment of Long-Lived Assets

The adoption by the Company on November 3, 1996 of the Statement of Financial Accounting Standards No. 121 "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of", did not affect the Company's consolidated financial statements.

Note 4 - Stock-Based Compensation

Effective November 3, 1996, the Company adopted Statement of Financial Accounting Standards ("SFAS") No. 123 "Accounting for Stock-Based Compensation". SFAS No. 123 requires the recognition of, or disclosure of, compensation expense for grants of stock options or other equity instruments issued to employees based on their fair value at the date of grant. As permitted by SFAS No. 123, the Company elected the disclosure requirements instead of recognition of compensation expense and therefore will continue to apply existing accounting rules.

Note 5 - Investments

During fiscal 1996 the Company entered into a joint venture agreement with Taiwan Semiconductor Manufacturing Company and other investors for the construction and operation of a semiconductor fabrication facility in Camas, Washington. The Company acquired an 18% equity ownership in the joint venture, known as WaferTech, in return for a $140 million investment. In December 1996, the Company paid the second installment of $42 million to WaferTech. The remaining installment of $56 million is due on November 3, 1997.

Note 6 - Pro Forma Earnings Per Share

The Company computes its earnings per share in accordance with the provisions of the Accounting Principles Board's Opinion No. 15 ("APB 15"), "Earnings Per Share". In February 1997, the Financial Accounting Standards Board issued Statement No. 128, "Earnings per Share", which supersedes APB 15 and is required to be adopted in financial statements issued after December 31, 1997. For the first quarter of fiscal 1998, the Company will be required to change the method currently used to compute earnings per share and to restate all prior periods. Under the new requirements, primary and fully diluted earnings per share will be replaced by basic and diluted earnings per share. Basic earnings per share is computed based only on the weighted average number of common shares outstanding during the period and the dilutive effect of stock options is excluded. Diluted earnings per share is computed essentially in the same manner as fully diluted earnings per share with some exceptions. The principal exception affecting the Company's calculation of dilutive earnings per share is that the dilutive effect of stock options is always based on the average market price of the stock during the period, not the higher of the average and period end market price as required under APB 15.

Analog Devices, Inc.
Notes to Condensed Consolidated Financial Statements (Continued)
August 2, 1997

Note 6 - Pro Forma Earnings Per Share (Continued)

Had the Company computed its earnings per share based on SFAS No. 128, the pro forma amounts for basic and diluted earnings per share would have been as follows:

	Three Months Ended		Nine Months Ended	
	August 2, 1997	August 3, 1996	August 2, 1997	August 3, 1996
Basic Earnings Per Share	$0.29	$0.29	$0.81	$0.84
Diluted Earnings Per Share	$0.27	$0.26	$0.75	$0.77

Note 7 - Commitments and Contingencies

As previously reported in the Company's Annual Report on Form 10-K for the fiscal year ended November 2, 1996, the Company is no longer engaged in an enforcement proceeding brought by the International Trade Commission ("ITC") related to previously settled patent infringement litigation with Texas Instruments, Inc. However, the ITC has referred certain related matters to the Department of Justice. The Company is unable to determine what, if any, action may be taken by the Department of Justice, but the Company plans to vigorously defend itself in the event that any enforcement action is taken by the Department of Justice on any of the matters referred to it by the ITC.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This information should be read along with the unaudited consolidated condensed financial statements and the notes thereto included in Item 1 of this Quarterly Report and the audited consolidated financial statements and notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations for the fiscal year ended November 2, 1996, contained in the Annual Report to Shareholders on Form 10-K.

The following discussion and analysis may contain forward-looking statements. Such statements are subject to certain risks and uncertainties, including those discussed below or in the Company's Form 10-K for the fiscal year ended November 2, 1996, that could cause actual results to differ materially from the Company's expectations. Readers are cautioned not to place undue reliance on any forward-looking statements, as they reflect management's analysis only as of the date hereof. The Company undertakes no obligation to release the results of any revision to these forward-looking statements which may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Results of Operations

Net sales for the third quarter of fiscal 1997 were $318 million, an increase of 4.3% from the $305 million reported for the third quarter of fiscal 1996. Net sales for the first three quarters of fiscal 1997 were $911 million, an increase of 2.5% from the $889 million reported for the comparable period of fiscal 1996. Strengthening demand for standard linear IC ("SLICs") products was responsible for the quarter-to-quarter and year-to-year increase. These increases more than offset decreases in system-level IC sales which were due primarily to a decline in sales for computer audio products and for GSM (Global Systems for Mobile communications) chipsets during the second and third quarters of fiscal 1997.

Demand for the Company's SLICs was broad based across all served application markets and geographies with the greatest strength in North America. SLIC revenues comprised approximately 64% and 61% of total revenues for the third and first three quarters of fiscal 1997 compared to 56% and 58% for the corresponding periods of fiscal 1996. Applications such as cellular base stations, ultrasound imaging, analog and digital camcorders, scanners and graphics digitizing products for flat panel display monitors are continuing to provide growth opportunities for the Company.

The gross margin for the third quarter of fiscal 1997 was 50.1%, the same as the third quarter of fiscal 1996. The adverse affect of additional expenses associated with new manufacturing facilities during the third quarter of fiscal 1997 was offset by a sales mix shift in favor of higher margin products. The gross margin was 49.7% for the first three quarters of fiscal 1997 compared to 50.4% for the first three quarters of 1996. The reduction in gross margin for the year-over-year period was principally due to a change in the mix of products sold, increased costs associated with the new manufacturing facilities and competitive pricing pressures.

For the third quarter and the first three quarters of fiscal 1997 research and development expense increased by approximately 9% as compared to the corresponding periods of fiscal 1996. This expense represented between 14.8% and 15.7% of revenue for all periods as the Company continued to increase its R&D investment in opportunities in linear ICs, communications, computers, digital signal processing, and accelerometers. The Company believes that a continued commitment to research and development is essential in order to maintain product leadership in its existing products and to provide innovative new product offerings, and therefore expects to continue to make significant investments in research and development in the future.

Selling, marketing, general & administrative ("SMG&A") expenses for the third quarter of fiscal 1997 of $49 million were essentially flat in comparison to the third quarter of fiscal 1996. SMG&A expenses for the first three quarters of fiscal 1997 were $141 million, a decrease of $6 million from the $147 million reported for the comparable period of fiscal 1996. This decline is a result of the Company's commitment to constrain spending during the recent period of slower sales growth. As a result, SMG&A expense as a percentage of sales fell to 15.5% from 16.6% for the year earlier period.

The Company's operating income ratio decreased slightly to 19.0% and 18.5% of sales in the three and nine months ended August 2, 1997, compared to 19.2% and 19.1% in the three and nine months ended August 3, 1996, as a result of all of the factors cited above.

Nonoperating income (net of expense) of $0.8 million in the third quarter of fiscal 1997 remained essentially flat in dollars in comparison to the third quarter of fiscal 1996. Nonoperating income (net of expense) for the first three quarters of fiscal 1997 decreased approximately $2 million from the comparable period of fiscal 1996, due primarily to interest expense which increased from the year earlier period. The majority of this increase relates to the outstanding $230 million of 3 1/2% Convertible Subordinated Notes which were issued midway into the first quarter of fiscal 1996, as well as increased expense related to additional capitalized leases entered into during fiscal 1997. In addition, interest income decreased from the prior year period as a result of a lower average level of invested cash during the first nine months of fiscal 1997 as compared to the same period in the prior year.

The effective income tax rate decreased from 26% for the third quarter and the first nine month period of fiscal 1996 to 25% for the third quarter and first nine month period of fiscal 1997 due to a shift in the mix of worldwide profits.

Liquidity and Capital Resources

At August 2, 1997, cash, cash equivalents and short-term investments totaled $316 million, an increase of $35 million from the third quarter of fiscal 1996 and an increase of $17 million from the fourth quarter of fiscal 1996. The increase from the third and fourth quarters of fiscal 1996 primarily represented continued generation of cash flow from operations.

The Company's operating activities generated net cash of $186 million, or 20% of sales, for the first nine months of fiscal 1997 compared to $96 million, or 11% of sales, for the first nine months of fiscal 1996. The $90 million increase in operating cash flows from the year-earlier period was principally due to greater working capital requirements in the prior period associated with growth in inventories and accounts receivable and the payment of income taxes, offset partly by increased accounts payable and accrued liabilities. Cash flow from operations generated in the third quarter of fiscal 1997 was $59 million or 18% of sales versus $50 million or 17% for the third quarter of fiscal 1996. The increase in operating cash flows compared to the prior year quarter was due mainly to a change in net working capital requirements primarily associated with inventory. The noncash effect of depreciation and amortization expense was $76 million for the first nine months of fiscal 1997 and $27 million for the third quarter of fiscal 1997, higher than the $59 million and $22 million respectively for the comparable periods of fiscal 1996, primarily as a result of increased property, plant and equipment related to the Company's internal capacity expansion programs. As a percentage of sales, depreciation and amortization expense was 8% for the first nine months of fiscal 1997 compared to 7% for the first nine months of fiscal 1996.

Accounts receivable of $258 million increased $41 million, or 19% from the third quarter of fiscal 1996. The number of days sales outstanding was 74 at the end of the third quarter of fiscal 1997 as compared to 65 for the third quarter of 1996. The increase in the number of days sales outstanding from the prior year period was primarily due to a change in the geographic mix of sales from the third quarter of fiscal 1996 to the third quarter of 1997 which resulted in increased sales in areas with typically longer payment terms.

Inventories of $222 million at the end of the first nine months of fiscal 1997 rose $7 million as compared to the end of the third quarter of fiscal 1996. Inventories as a percentage of annualized quarterly sales declined from 17.6% to 17.4% as demand resumed during the third quarter of fiscal 1997.

Accounts payable and accrued liabilities declined $21 million or 12% compared to the balance at the end of the third quarter of fiscal 1996 due principally to decreased capital spending as the Company's capacity expansion programs were more extensive in the prior year.

Net additions to property, plant and equipment of $119 million or 13% of sales for the first nine months of fiscal 1997 and $45 million or 14% of sales for the third quarter of fiscal 1997 were funded with a combination of cash on hand, cash generated from financing activities and internally generated cash flow from operations. The majority of these expenditures in fiscal 1997 were related to the ongoing improvement of the Company's existing wafer fabrication facilities in Wilmington, Massachusetts and Limerick, Ireland. The Company is continuing to develop its facility in Cambridge, Massachusetts which will be used for the production of the accelerometer and other micromachined products. In addition, the Company continued the development of the six-inch wafer fabrication module located in Sunnyvale, California. This facility is still in the process of being upgraded and modernized and a CBCMOS process is being developed and production output is expected in the fourth quarter of fiscal 1997. During the second quarter of fiscal 1997 production output began in the new assembly and test site in the Philippines. Production at this site is expected to increase during the remainder of fiscal 1997. These expansion programs have caused depreciation expense to increase in comparison to the prior year.

In June 1997, in accordance with a previous agreement, the Company made the final payment of $6 million to Chartered Semiconductor Manufacturing Pte., Ltd. for a total deposit of $20 million. The Company had previously paid $8 million during fiscal 1996 and $6 million during the second quarter of fiscal 1997. The deposit will guarantee access to additional quantities of sub-micron wafers through fiscal 2000.

During fiscal 1996 the Company entered into a joint venture agreement with Taiwan Semiconductor Manufacturing Company and other investors for the construction and operation of a semiconductor fabrication facility in Camas, Washington. For a total commitment of $140 million the Company acquired an 18% equity ownership in the joint venture, known as WaferTech. The first installment of $42 million was paid during fiscal 1996. The second installment of $42 million was paid in December 1996 and the remaining installment of $56 million is due on November 3, 1997.

The Company currently plans to make capital expenditures of approximately $175 million during fiscal 1997, primarily in connection with the continued expansion of its manufacturing capacity.

At August 2, 1997, the Company's principal sources of liquidity included $236 million of cash and cash equivalents and $81 million of short-term investments. Short-term investments at the end of the third quarter of fiscal 1997 consisted of commercial paper, banker's acceptances, certificates of deposit and Euro time deposits with maturities greater than three months and less than six months at time of acquisition. The Company also has various lines of credit both in the U.S. and overseas, including a $60 million credit facility in the U.S. which expires in 2000, all of which were substantially unused at August 2, 1997. At August 2, 1997, the Company's debt-to-equity ratio was 36%.

The Company believes that its existing sources of liquidity and cash expected to be generated from future operations, together with current and anticipated available long-term financing, will be sufficient to fund operations, capital expenditures and research and development efforts for the foreseeable future.

Litigation

As set forth in Note 7 to the Condensed Consolidated Financial Statements contained in this Form 10-Q for the fiscal quarter ended August 2, 1997, the Company is no longer engaged in an enforcement proceeding brought by the International Trade Commission ("ITC") related to previously settled patent infringement litigation with Texas Instruments, Inc. However, the ITC has referred certain related matters to the Department of Justice. The Company is unable to determine what, if any, action may be taken by the Department of Justice, but the Company plans to vigorously defend itself in the event that any enforcement action is taken by the Department of Justice on any of the matters referred to it by the ITC.

Factors Which May Affect Future Results

The Company's future operating results are difficult to predict and may be affected by a number of factors including the timing of new product announcements or introductions by the Company and its competitors, competitive pricing pressures, fluctuations in manufacturing yields, adequate availability of wafers and manufacturing capacity, changes in product mix and economic conditions in the United States and international markets. In addition, the semiconductor market has historically been cyclical and subject to significant economic downturns at various times. The Company has replenished inventory which had been depleted in the prior year. These higher inventory levels expose the Company to the risk of obsolescence depending on the mix of future business. As a result of these and other factors, there can be no assurance that the Company will not experience material fluctuations in future operating results on a quarterly or annual basis.

The Company's success depends in part on its continued ability to develop and market new products. There can be no assurance that the Company will be able to develop and introduce new products in a timely manner or that such products, if developed, will achieve market acceptance. In addition, the Company's growth is dependent on its continued ability to penetrate new markets such as the communications, computer and automotive segments of the electronics market, where the Company has limited experience and competition is intense. There can be no assurance that the markets being served by the Company will grow in the future; that the Company's existing and new products will meet the requirements of such markets; that the Company's products will achieve customer acceptance in such markets; that competitors will not force prices to an unacceptably low level or take market share from the Company; or that the Company can achieve or maintain profits in these markets. Also, some of the customers in these markets are less well established which could subject the Company to increased credit risk.

The semiconductor industry is intensely competitive. Certain of the Company's competitors have greater technical, marketing, manufacturing and financial resources than the Company. The Company's competitors also include emerging companies attempting to sell products to specialized markets currently served by the Company. Competitors of the Company have, in some cases, developed and marketed products having similar design and functionality as the Company's products. There can be no assurance that the Company will be able to compete successfully in the future against existing or new competitors or that the Company's operating results will not be adversely affected by increased price competition.

During fiscal 1996, the Company increased substantially its manufacturing capacity through both expansion of its production facilities and increased access to third-party foundries; there can be no assurance that the Company will not encounter unanticipated production problems at either its own facilities or at third-party foundries; or if the demand were to increase significantly that the increased capacity would be sufficient to satisfy demand for its products. The Company relies, and plans to continue to rely, on assembly and test subcontractors and on third-party wafer fabricators to supply most of its wafers that can be manufactured using industry-standard digital processes, and such reliance involves several risks, including reduced control over delivery schedules, manufacturing yields and costs. In addition, the Company's capacity additions will result in a significant increase in operating expenses, and if revenue levels do not increase to offset these additional expense levels, the Company's future operating results could be adversely affected, including the potential adverse impact in operating results for "take or pay" covenants in certain of its supply agreements. With its greater capacity relative to demand, the Company has increased its levels of inventory. The Company's business is subject to rapid technological changes and there can be no assurance that products stocked in inventory will not be rendered obsolete before they are utilized by the Company.

For the first nine months of fiscal 1997, 55% of the Company's revenues were derived from customers in international markets. The Company has manufacturing facilities in Ireland, the Philippines and Taiwan. The Company is therefore subject to the economic and political risks inherent in international operations, including expropriation, air transportation disruptions, currency controls and changes in currency exchange rates, tax and tariff rates and freight rates. Although the Company engages in certain hedging transactions to reduce its exposure to currency exchange rate fluctuations, there can be no assurance that the Company's competitive position will not be adversely affected by changes in the exchange rate of the U.S. dollar against other currencies.

While the Company tries to ensure that its manufacturing capacity and demand for its products are in relative balance, no assurance can be given that from time to time an imbalance between the Company's manufacturing capacity and the demand for its products would not occur. Any such imbalance could adversely affect the Company's consolidated results of operations.

The semiconductor industry is characterized by frequent claims and litigation involving patent and other intellectual property rights. The Company has from time to time received, and may in the future receive, claims from third parties asserting that the Company's products or processes infringe their patents or other intellectual property rights. In the event a third party makes a valid intellectual property claim and a license is not available on commercially reasonable terms, the Company's operating results could be materially and adversely affected. Litigation may be necessary to enforce patents or other intellectual property rights of the Company or to defend the Company against claims of infringement, and such litigation can be costly and divert the attention of key personnel. See Item 3 "Legal Proceedings" from the Company's Annual Report on form 10-K for the fiscal year ended November 2, 1997 for information concerning pending litigation involving the Company. An adverse outcome in such litigation, may, in certain cases, have a material adverse effect on the Company's consolidated financial position or on its consolidated results of operations or cash flows in the period in which the litigation is resolved.

Because of these and other factors, past financial performance should not be considered an indicator of future performance. Investors should not use historical trends to anticipate future results and should be aware that the trading price of the Company's common stock may be subject to wide fluctuations in response to quarter-to-quarter variations in operating results, general conditions in the semiconductor industry, changes in earnings estimates and recommendations by analysts or other events.

PART II - OTHER INFORMATION
ANALOG DEVICES, INC.

Item 6. Exhibits and reports on Form 8-K

(a) See Exhibit Index
(b) There were no reports on Form 8-K filed for the three months ended August 2, 1997.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Analog Devices, Inc.

(Registrant)

Date: September 11, 1997

By: /s/ Jerald G. Fishman

Jerald G. Fishman
President and
Chief Executive Officer
(Principal Executive Officer)

Date: September 11, 1997

By: /s/ Joseph E. McDonough

Joseph E. McDonough
Vice President-Finance
and Chief Financial Officer
(Principal Financial and
Accounting Officer)

EXHIBIT INDEX
Analog Devices, Inc.

Item	
11-1	Computation of Earnings per Share.
27	Financial Data Schedule

Exhibit 11-1

Analog Devices, Inc.
Computation of Earnings Per Share (Unaudited)
(in thousands, except per share data)

	Three Months Ended	
	August 2, 1997	August 3, 1996
PRIMARY EARNINGS PER SHARE		
Weighted average common and common equivalent shares:		
Weighted average common shares outstanding	159,649	152,950
Assumed exercise of common stock equivalents (1)	7,139	8,986
Assumed conversion of subordinated notes	10,985	10,985
Weighted average common and common equivalent shares	177,773	172,921
Net income	$ 45,969	$ 43,796
Interest related to convertible subordinated notes, net of tax	1,425	1,455
Earnings available for common stock	$ 47,394	$ 45,251
PRIMARY EARNINGS PER SHARE	$ 0.27	$ 0.26
FULLY DILUTED EARNINGS PER SHARE		
Weighted average common and common equivalent shares:		
Weighted average common shares outstanding	159,649	152,950
Assumed exercise of common stock equivalents (1)	7,835	9,046
Assumed conversion of subordinated notes	10,985	10,985
Weighted average common and common equivalent shares	178,469	172,981
Net income	$ 45,969	$ 43,796
Interest related to convertible subordinated notes, net of tax	1,425	1,455
Earnings available for common stock	$ 47,394	$ 45,251
FULLY DILUTED EARNINGS PER SHARE	$ 0.27	$ 0.26

(1) Computed based on the treasury stock method.

Exhibit 11-1(Continued)

Analog Devices, Inc.
Computation of Earnings Per Share (Unaudited)
(in thousands, except per share data)

	Nine Months Ended	
	August 2, 1997	August 3, 1996
PRIMARY EARNINGS PER SHARE		
Weighted average common and common equivalent shares:		
Weighted average common shares outstanding	158,837	152,016
Assumed exercise of common stock equivalents (1)	6,993	9,266
Assumed conversion of subordinated notes	10,985	9,079
Weighted average common and common equivalent shares	176,815	170,361
Net income	$127,267	$127,881
Interest related to convertible subordinated notes, net of tax	4,275	3,575
Earnings available for common stock	$131,542	$131,456
PRIMARY EARNINGS PER SHARE	$ 0.75	$ 0.77
FULLY DILUTED EARNINGS PER SHARE		
Weighted average common and common equivalent shares:		
Weighted average common shares outstanding	158,837	152,016
Assumed exercise of common stock equivalents (1)	7,421	9,435
Assumed conversion of subordinated notes	10,985	9,079
Weighted average common and common equivalent shares	177,243	170,530
Net income	$127,267	$127,881
Interest related to convertible subordinated notes, net of tax	4,275	3,575
Earnings available for common stock	$131,542	$131,456
FULLY DILUTED EARNINGS PER SHARE	$ 0.75	$ 0.77

(1) Computed based on the treasury stock method.

5
1,000
U.S. DOLLARS

9-MOS
NOV-01-1997
NOV-03-1996
AUG-02-1997
1
235,699
80,770
258,383
0
221,858
867,912
1,177,690
548,600
1,676,437
275,977
310,000
0
0
26,883
981,287
1,676,437
911,015
911,015
457,981
457,981
284,296
0
9,703
169,689
42,422
127,267
0
0
0
127,267
.75
.75

Asset value represents net amount.